UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX – SOUTHERN CALIFORNIA FIELD OFFICE
600 WILSHIRE BLVD, Suite 1460
Los Angeles, CA 90017

CERTIFIED MAIL 7016 1370 0000 2235 1442
RETURN RECEIPT REQUESTED

AUG 1 2 2016

In Reply Refer to: ENF-3-2

Mr. Tony Wei, President
Allen Asset Management Group LLC
Plastic Recycling Plant
14131 South Avalon Blvd.
Los Angeles, CA 90061

Dear Mr. Wei:

The purpose of this letter is to transmit to you EPA's Clean Water Act (CWA) inspection report on the unpermitted Allen Asset Management Group LLC – Plastic Recycling Plant, and to notify you of serious compliance concerns with the Clean Water Act. As you are aware, on June 9, 2016 at 1:50 PM, EPA inspected the Plastic Recycling Plant to determine if the plant is unpermitted under the National Pollutant Discharge Elimination System (NPDES) program and requires coverage under the State of California's *NPDES General Permit for Discharges of Storm Water Associated with Industrial Activities* (Industrial General Permit or IGP, No. CAS000001; Water Quality Order No. 2014-0057-DWQ).

As described more fully in the enclosed inspection report, EPA has identified a number of serious areas of concern. For example, it appears that Allen Asset Management Group LLC – Plastic Recycling Plant did not:

- Implement good housekeeping practices at the Facility. For example, EPA observed copious amounts of plastic materials and plastic fragments on impervious pavement throughout the facility; including around the portable loading dock and around the dumpsters.

- Properly handle material and waste managment. For example, EPA observed numerous outdoor super sacks leaking residues of oil and food waste product.

- Cover and contain waste materials stored outside to prevent contact with stormwater. EPA observed super sacks overtopping a broken stormwater berm.

Based on EPA's observations during the inspection it appears the facility's main production is plastic recycling and outdoor storage of plastic materials, which have the potential to be exposed to storm water. Therefore it appears the facility requires coverage under the State of California's NPDES General Permit for Discharges of Storm Water Associated with Industrial Activities. Specifically, Section XVIII Special Requirements – Plastic Materials of the permit. I understand that the EPA

inspector advised you during the inspection of the process for obtaining coverage under the Permit via the State Water Resources Control Board – Industrial Storm Water Program.

If you would like to respond to the inspection report or submit any other information EPA should be aware of, please send a written response within 30 days of receipt of this letter. If you have stormwater related questions, please contact Daniel Haskell at (213) 244-1816 or via email at haskell.daniel@epa.gov.

AUG 1 2 2015

Sincerely,

David Wampler, Chief
Clean Water Enforcement Section II

Enclosure: Inspection reports w/attachments

cc: Ejigu Solomon, LA RWQCB (via email w/enclosure)

Region 9 Enforcement Division
75 Hawthorne Street
San Francisco, CA 94105

INSPECTION REPORT

Inspection Date(s):	06/09/16		
Time:	**Entry:** 1:50 pm	**Exit:** 4:00 pm	
Media:	Water		
Regulatory Program(s)	CWA NPDES/Industrial Stormwater		
Company Name:	Allen Asset Management Group LLC		
Facility or Site Name:	Plastic Recycling Plant		
Facility/Site Physical Location:	14131 South Avalon Blvd.		
(city, state, zip code)	Los Angeles, CA 90061		
Geographic Coordinates:	33°54'11.00"N / 118°15'56.00"W		
Weather	Sunny, no clouds		
County:	Los Angeles		
Facility/Site Contact:	Mr. John Fang	Site Manager	
	Office #:	[redacted]	
Facility/Site QISP:	NA		
Facility/Site Identifier:	NA (UNPERMITTED)		
Media Number:	NA		
NAICS:	326199 – All Other Plastics Product Manufacturing (determined by Haskell based on observations during inspection of the Facility)		
SIC:	3089 – Plastics Products, Not Elsewhere Classified (determined by Haskell based on observations during inspection of Facility)		
Facility/Site Personnel Participating in Inspection:			
Mr. Tony Wei	Owner / President		
Office #:	[redacted]		
Inspector:			
Daniel Haskell	Water Section II Southern California Field Office, Enforcement Division	US EPA Region 9 Inspector	213 244 1816
Signature: David A Haskell		Date: 08/12/2016	
Supervisor Review:			
David Wampler	Water Section II Mail Code Enf-3-2 Enforcement Division	Section Chief	415 972 3975
Signature: [signature]		Date: 8/12/2016	

I – INTRODUCTION

Purpose of the Inspection

The purpose of the inspection was to determine if the Allen Asset Management Group LLC Plastic Recycling Plant, located at 14131 South Avalon Blvd. Los Angeles, CA 90061, is currently an active site and, if affirmative, to determine the type of industrial activity being conducted. The facility was unpermitted under the National Pollutant Discharge Elimination System (NPDES) program, which requires coverage under the State of California's *NPDES General Permit for Discharges of Storm Water Associated with Industrial Activities* (Water Quality Order No. 2014-0057-DWQ).

Introduction and Opening Conference

I arrived on site at approximately 1:50 pm on June 6th, 2016. I walked along the facility boundary before entering through the main entrance on South Avalon Blvd (Attachment A Image 0098). Upon entering the site, I observed a forklift operator setting a super sack of waste material on top of an overtopping garbage dumpster (Attachment A Image 0100). I also observed a large amount of plastic debris scattered on imperious payment on the facility grounds (Attachment A Image 0103).

I entered the facility building and walked up to the office. I knocked on the door and introduced myself to the onsite manager, who later introduced himself as Mr. John Fang. I stated that I was here to conduct an unannounced stormwater inspection on behalf of the United States Environmental Proteccion Agency and showed my credential. I requested to speak with Mr. Tony Wei and Mr. Fang said he was not available. I asked to speak with the supervisor of the site, and Mr. Fang made a phone call to who I believed was his supervisor which, appeared to be in the Chinese (Mandarin) language. I did not speak with the person on the phone. Mr. Fang said that his supervisor was not available and would not be able to make it to the facility to meet with me for the duration of the inspection. I asked if Mr. Fang could accompany me during inspection and he said he would, but that he was new and may not know all the answers to my questions. He said that he had been working with the company only recently, approximately 2 – 3 months.

I asked Mr. Fang if we could hold an opening conference in his office before the site walk-through to discuss the objectives of the inspection and for me to learn more about the facility. Mr. Fang stated that the facility did possess a permit for process water. I clarified that I was here to conduct a stormwater inspection by documenting facts to determine compliance, if applicable to the industry. Mr. Fang concurred to an opening conference and a site walk-through. I asked Mr. Fang what type of materials and industrial operations are being conducted at the facility, but there was some misunderstanding to my question. I asked if this facility was currently called Altec Metal, and he said he did not know. I asked if this site had previously been the Altec Metal facility, and he said he was not sure. I observed that Mr. Fang may have had limited English proficiency, however he did appear to understand English and communicate fairly. I asked if Mr. Fang knew the standard industrial classification (SIC) code of this facility, and he said he was not sure but would find out. After about 5 minutes of rummaging through desk drawers and office shelves, Mr. Fang said he could not locate the SIC code but that his boss would know and could ask him at a later date. I asked Mr. Fang what was the name of this facility, and he

searched for additional 5 minutes for paperwork that had the company name on it. After not providing me any documentation, I asked if he could provide me a business card of the facility, and he searched for another 5 minutes until he located a business card in the office. The business card stated "Allen Asset Management Group, LLC – Plastic Recycling" and is stapled in my inspection notes. I asked Mr. Fang if this was a plastic recycling facility and he said that yes it was. I asked Mr. Fang how plastic material is recycled at the facility and he said he did not know. I asked him what happens to the material after it is recycled and he said it is exported to China. I told him I would have more questions about how the facility operations as I do a site walk-through.

Facility Review and Observations

We began the site walk-through outside of Mr. Fang's office where I observed numerous super sacks of plastic fragments (Attachment A, Images 0104 and 0105). I asked Mr. Fang if these were the final product of the facility and he said yes they were. I asked what the material was made of and he said plastic. Mr. Fang later confirmed that all plastic handled at the facility was HDPE plastic.

I continued the site-walk through outside on the parking lot, and observed accumulated trash wedged between building wall and an unused metal cylinder, as well as a waste bin filled with scrap metal (Attachment A, Images 0108 and 0109). I asked Mr. Fang what was the purpose of the metal cylinder and the waste bin and he said they belonged to the previous owner and were not used by the facility. I continued to walk east along the parking lot and observed dumpsters overtopping with garbage (Attachment A, Images 0111 and 0112). I conveyed to Mr. Fang the need to maintain good housekeeping and material management onsite. I turned around and starting walking west along the parking lot and observed a portable loading dock for semi-trailer trucks with plastic bottles, debris, and plastic fragments scattered around the dock (Attachment A, Images 0114 and 0115, 0121). I also observed plastic materials and folded super sacks were stacked so high that they had toppled over and were leaning up against the trees on the property (Attachment A, Images 0117 and 0120). I also observed bales of plastic materials stacked throughout other parts of the site (Attachment A, Images 0122 and 0123).

As I continued to walk westward along the parking lot, I noted a foul odor and commented on it to Mr. John Fang. I asked if there were guard dogs that remained on the property thinking it may be fecal matter, and he said there were no dogs on site. I turned northward and observed multiple super sacks leaking oil and food waste residue in and around an incomplete and overtopping stormwater berm (Attachment A, Images 0125, 0127, 0132, 0136) on the southwest corner of the facility's building. I attributed the oil and food waste residue super sacks the source of the odor. I asked Mr. Fang to which process in the industrial activity did this waste product pertain to? At first there was some confusion regarding my question, but then he replied that the food waste residue and oil was the leftover food waste and drink residue from the plastic materials after cleaning. Additionally, I observed there were open barrels of plastic fragments, food waste residue and oil adjacent to the super sacks (Attachment A, Images 0128, 0129, and 0130). Additionally, I observed there was a large amount of plastic fragments scattered on impervious

pavement around the super sacks (Attachment A, Images 0133 and 0134). Further westward as I walked, I continued to observe multiple stacks of baled plastic bottles and materials (Attachment A, Images 0137, 0140, 0141, 0142, 0143, 0144). Specifically, in Attachment A, Image 0145 there was a high degree of fragmented plastic materials on impervious pavement.

Next, Mr. Fang and I walked into the indoor production area of the facility through the western entrance/exit, as shown in Attachment A, Image 0147. Here I observed the plastic materials being loaded onto a conveyor belt for separation, cleaning and shredding (Attachment A, Images 0149, 0151, 0152, 0154, 0155, and 0156). I also observed an indoor trench that received process water, which appeared to lead to a sewer interceptor (Attachment A, Images 0158, 0159, 0164, and 0165). Interestingly, in the same indoor area I observed moving crates with the letters 3T on them (Attachment A, Images 0159, 0160, and 0161). I asked Mr. Fang if he knew the destination of the process water and he said he did not know. I asked Mr. Fang if there was some type of treatment process for this water and if so if he could provide me the proper paperwork, but he said he was now not sure. I reminded him that he said during the opening conference that there was some type of treatment for the process water but he said again he was not sure.

Closing Conference and Areas of Concern

After Mr. Fang and I completed the walk-through of the indoor portion of the facility, we arrived back at his office for a closing conference. During the closing conference, I reviewed my preliminary inspection observations and areas of concern (listed below) with Mr. Fang. The presentation of areas of concern does not constitute a formal compliance determination or violation.

1. I observed that Mr. Fang was not familiar with the *NPDES General Permit for Discharges of Storm Water Associated with Industrial Activities*. I asked Mr. Fang if he was familiar with the permit, and he said he was not. Mr. Fang asked if he could take a picture (with his camera phone) of the cover of the permit which I had printed out and brought with me to the inspection (i.e., page i. of the permit). I also asked Mr. Fang if he was familiar with Section XVIII Special Requirements – Plastic Materials of the permit, and he said he was not. He took an additional picture of the page of the permit that displayed these requirements (i.e. page 64 of the permit). I concurred to both pictures. I discussed with Mr. Fang that he should read the permit and its special plastic handling requirements to determine applicability for this facility. I discussed with Mr. Fang the importance of pollution prevention and the fate and transport of plastic materials to the MS4 (the storm drain system) which, leads to the Pacific Ocean. I briefly reviewed the minimum requirements plastics facilities should implement in their Storm Water Pollution Prevention Plan (SWPPP). Based on my observations, I suggested to Mr. Fang that the facility may require coverage under the permit. Mr Fang did not agree or disagree with my recommendation for permit coverage.

2. I observed a lack of good housekeeping practices implemented throughout the facility. Specifically, I discussed with Mr. Fang the numerous amounts of plastic materials and

plastic fragments on impervious pavement throughout the facility, and around the portable loading dock. I observed that these items may have the potential to be mobilized from rain events via stormwater and flow into the city's MS4.

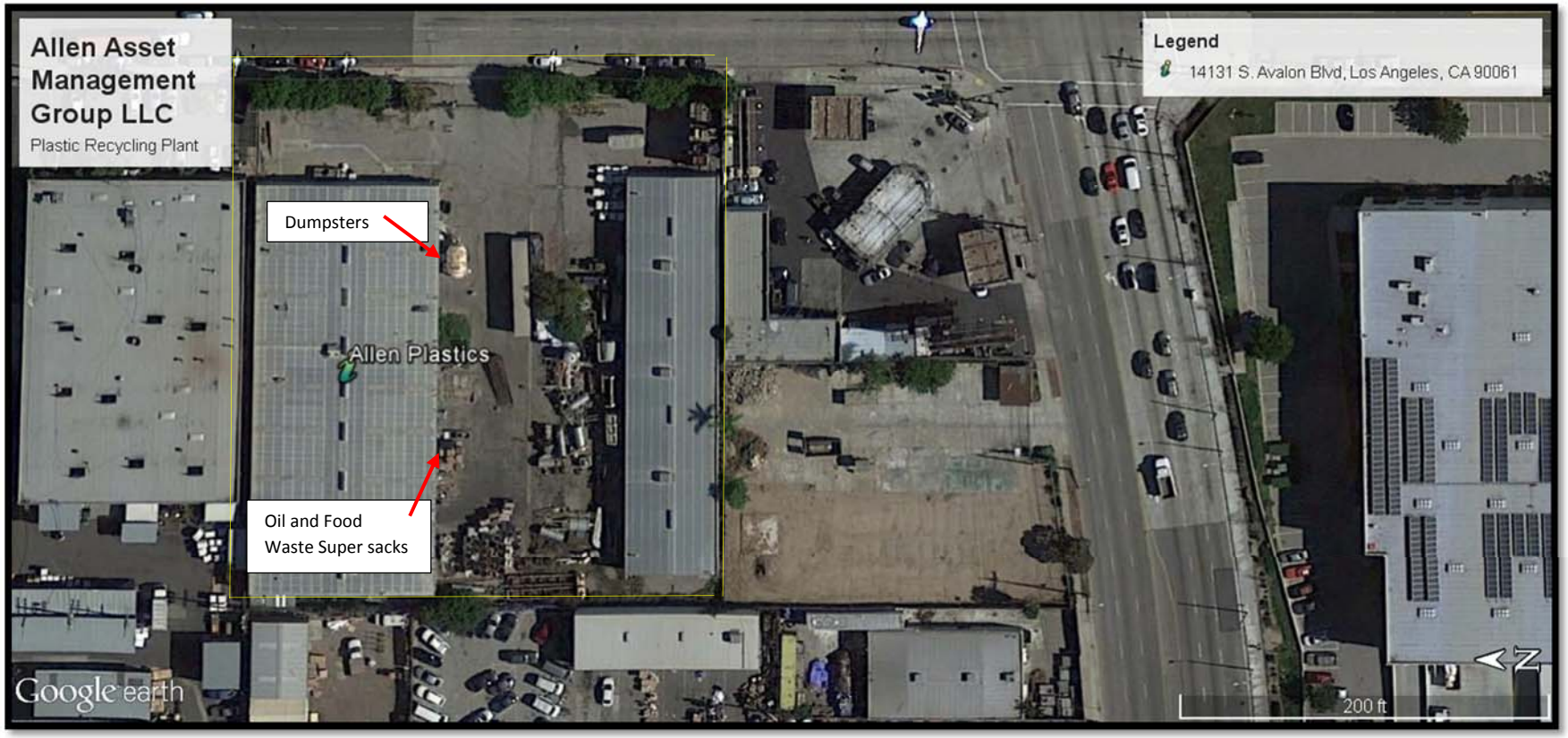
3. I observed numerous amounts of garbage in and around the dumpsters. Specifically, I observed a forklift operator setting a super sack of waste material on top of an already overtopping garbage dumpster. I also observed a large amount of plastic debris scattered on imperious payment on the facility grounds. Mr. Fang stated that the facility typically cleans up twice a week.

4. I observed a lack of proper material handling and waste management. Numerous outdoor super sacks leaking residues of oil and food waste residue product from the cleaning of plastic materials on the facility property. The super sacks were overtopping the damaged stormwater berm. Additionally, I observed open barrels of plastic fragments, food waste residue and oil adjacent to the super sacks.

5. I observed the mismanagement of material storage to prevent discharge of pollutants in stormwater. For example, numerous bales of plastic material and folded super sacks were stacked outside throughout the facility. I also observed numerous amounts of plastic containers that were scattered throughout the facility on impervious pavement.

Image A: Google Earth image of Allen Asset Management Group LLC Plastic Recycling Facility.
14131 South Avalon Blvd, Los Angeles, CA 90061

(Note: Yellow arrows indicate facility boundaries. Based on EPA observations on June 9, 2016).



Attachment A Photo Log

Attachment A

EPA Region 9 Enforcement Division
INSPECTION REPORT PHOTOGRAPH LOG

Inspected Facility:
Allen Asset Management Group LLC
Plastic Recycling Plant
14131 South Avalon Blvd
Los Angeles, CA 90061

Inspection Date:
June 09, 2016

IMG_0098.JPG. Entrance of Allen Plastic Recycling Plant off South Avalon Blvd.

IMG_0100.JPG. Forklift operator setting a super sack of waste material on top of an overtopping garbage dumpster.

IMG_0103.JPG. Portable shipping/receiving stand-alone dock among scattered debris on impervious parking lot surface.

IMG_0104.JPG. Super sacks of finished product; plastic fragments.

IMG_0105.JPG. Additional photo of super sacks of finished product; plastic fragments.

IMG_0108.JPG. Accumulated trash wedged between building wall and unused metal cylinder from Image 0098.

IMG_0109.JPG. Waste bin filled with scrap metal across the parking lot from the metal cylinder in Image 0098.

IMG_0111.JPG. Overtopping dumpsters, side view of Image 100.

IMG_0112.JPG. Accumulated trash wedged between building wall and dumpsters from Image 0111.

IMG_0114.JPG. Westward view of portable loading dock with plastic debris scatted throughout the area.

IMG_0115.JPG. Northwestward view of plastic debris scatted on impervious pavement adjacent to portable loading dock.

IMG_0117.JPG. Bales of stacked plastic materials topping over and resting up against a tree on southern facility parking lot.

IMG_0120.JPG. Bales of stacked plastic materials topping over and resting up against a tree from Image 0117.

IMG_0121.JPG. Plastic bottles on impervious payment adjacent to portable loading dock from Image 0120.

IMG_0122.JPG. Westward view of bales of stacked plastic materials on facility parking lot with scatted plastic fragments.

IMG_0123.JPG. Additional Westward view of bales of stacked plastic materials on facility parking lot with scatted plastic fragments.

IMG_0125.JPG. Super sack leaking sediment and grease on top of broken stormwater berm. Note oil stains around berm.

IMG_0127.JPG. Zoomed in image of super sack leaking sediment and grease on top of broken stormwater berm from Image 0125.

IMG_0128.JPG. Outdoor open containers adjacent to leaking super sack from Image 0125.

IMG_0129.JPG. Interior view of one open container from Image 0128, filled with plastic fragments.

IMG_0130.JPG. Interior view of additional open container from Image 0128, filled with sediment and grease.

IMG_0132.JPG. Additional supersacks of residual sediment and grease without secondary containment.

IMG_0133.JPG. Background image of additional supersacks of residual sediment and grease without secondary containment. Note spilled plastic fragments.

IMG_0134.JPG. Zoomed image of spilled plastic fragments from Image 0133.

IMG_0136.JPG. Additional supersack leaking sediment and grease overloading stormwater berm.

IMG_0137.JPG. Stacks of baled plastic materials behind open containers of plastic materials all outside on northern parking lot.

IMG_0140.JPG. Northward view of baled plastic materials from Image 0137 next to cardboard boxes and scattered plastic fragments on impervious payment.

IMG_0141.JPG. Southward view of super sacks of plastic materials spilling on impervious payment.

IMG_0142.JPG. Southeast view of super sacks of plastic materials spilling on impervious payment.

IMG_0143.JPG. Stacks of baled plastic materials with plastic debris scatted on impervious payment.

IMG_0144.JPG. Additional photo of stacks of baled plastic materials spilling onto impervious payment.

IMG_0145.JPG. Plastic fragments scattered on imperious payment, with bales plastic materials in background.

IMG_0147.JPG. Western entrance/exit to facility building. Note tracking of plastic materials and fragments.

IMG_0149.JPG. Plastic materials being loaded into plastic shredder.

IMG_0151.JPG. plastic materials be sorted before shredding.

IMG_0152.JPG. Super sacks being filled with plastic fragments.

IMG_0154.JPG. Zoomed in super sack being filled with plastic fragments from Image 0152.

IMG_0155.JPG. Plastic fragment collector before washing.

IMG_0156.JPG. Zoomed in plastic fragments spilling over from Image 0155.

IMG_0158.JPG. Westward view of water collection trench running east-west inside facility building. Note plastic fragments on top of metal grate.

IMG_0159.JPG. Eastward view of water collection trench from Image 0158. Note shipping crates with the abbreviation “3T” spray painted on.

IMG_0160.JPG. Northward view of shipping crates with the abbreviation “3T” from image 0159.

IMG_0161.JPG. Zoomed in “3T Holding” label on shipping crates from Image 0160.

IMG_0164.JPG. Eastward view of four manholes, which may collect process water from indoor trench as shown in Images 0158 and 0159.

IMG_0165.JPG. Zoomed in image of the south most manhole shown in Image 0164.

IMG_0166.JPG. Southward gradient of stormwater trench beginning from manholes in Image 0164.

IMG_0167.JPG. Westward gradient of stormwater tench in parking lot.

IMG_0168.JPG. Westward gradient of stormwater tench in parking lot continued.

IMG_0169.JPG. Eastward view of westward gradient stormwater tench shown in image 0167. Note plastic fragments throughout trench.

IMG_0170.JPG. Northward view of southward flow path commencing from trench adjacent to blue storage container from Image 0145. Note evidence of weed growth long flow path.

IMG_0171.JPG. Continuation of southward flow path (eastward view) from Image 0170. Note evidence of weed growth long flow path.

IMG_0173.JPG. Continuation of southwestern flow path merging with southward flow path from Image 0171. Note evidence of lighter southwestward weed growth merging with thicker weed growth along southward flow path (southward view)..

IMG_0174.JPG. Continuation of southward flow path with weeds from Image 0173. Note evidence of lighter southwestward weed growth merging with thicker weed growth along southward flow path (northward view). Flow path along facility boundary may be due to run-on as shown in image 0189.

IMG_0175.JPG. Continuation of southward flow path with thick weeds from Image 0173 (southward view).

IMG_0176.JPG. Northward view of Image 0173.

IMG_0177.JPG. Continuation of southward flow path with thick weeds from Image 0173 (southward view).

IMG_0179.JPG. Alternative flow path A from Image 0177. Flow path direction eastward behind an additional building along vacant lot boundary (eastward view).

IMG_0181.JPG. Alternative flow path B from 0177. Flow path direction continues southward along boundary of neighbor building (southwestward view).

IMG_0182.JPG. Continuation of alternative flow path B from 0181. Note accumulated sediment along vacant boundary.

IMG_0183.JPG. Continuation of alternative flow path B from 0182. Note accumulated sediment along vacant boundary and weed growth. Note, weed growth may terminates at palm tree.

IMG_0185.JPG. Southward view of Image 0170 flow path.

IMG_0186.JPG. Zoomed in image of 0185. Note plastic debris along flow path.

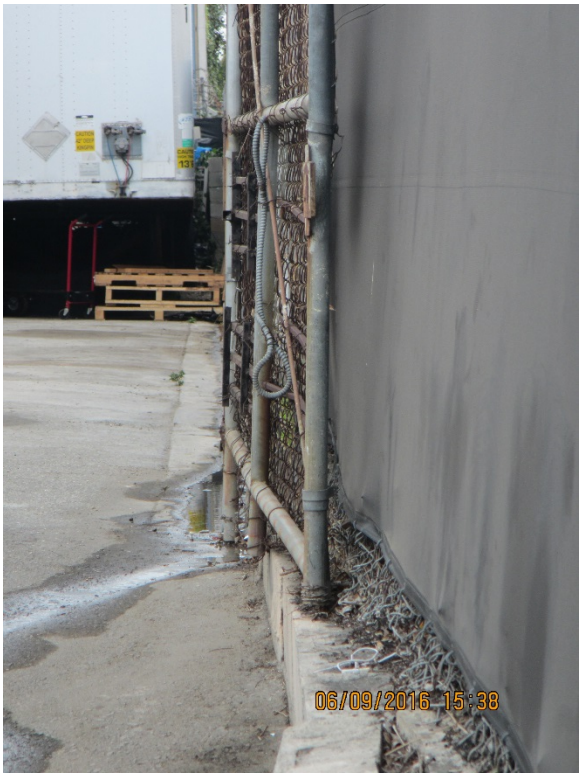
IMG_0187.JPG. Continuation southward of Image 0186.JPG. Note plastic debris along flow path.

IMG_0188.JPG. Facility boundary behind blue storage bin in Image 0170 (westward view)

IMG_0189.JPG. Southward view facility boundary along adjacent property. Possible likelihood of run-on from neighborhood facility contributing to flow path in Image 0174.

IMG_0194.JPG. Street view of alternative flow path B, potential discharge location corner from Image 0183. Note discharge from neighborhood facility.

IMG_0195.JPG. Image through gate of discharge from neighborhood facility of Image 0194.



IMG_0196.JPG. Zoomed in image of 0195.

IMG_0197.JPG. Street view through gate of southward alternative flow path B along facility boundary (northward view of Image 0183).

IMG_0198.JPG. Street view through gate of southward alternative flow path B along facility boundary continued from Image 0197.

IMG_0199.JPG. Potential discharge location of alternative flow path B (street view from Image 0194).

IMG_0201.JPG. Alternative flow bath A commencing from far left corner (Image 0177) along building boundary (Image 0179). Note stormwater trench along vacant parking lot.

IMG_0202.JPG. Potential discharge point for stormwater trench from Image 0201.

IMG_0204.JPG. Flow from neighboring facility illustrating potential flow path of alternative flow path discharge point A (Image 0202) or alternative flow path discharge point B (Image 0199).

IMG_0205.JPG. Continuation of potential flow path along street curb westward from Image 0204.

IMG_0207.JPG. Continuation of potential flow path along street curb westward from Image 0205.

IMG_0208.JPG. Continuation of potential flow path along street curb westward from Image 0207.

IMG_0209.JPG. Continuation of potential flow path along street curb westward from Image 0208.

IMG_0211.JPG. Continuation of potential flow path along street curb westward from Image 0209 to Stormwater drain.